

MMS Alaska OCS Region

Focus Sheet

Liberty Oil and Gas Development Project in the Beaufort Sea

The Minerals Management Service manages mineral exploration and development on the Outer Continental Shelf in an environmentally safe manner. The OCS is the offshore area beginning 3 miles from the coast and extending seaward.

The Liberty Project

In February 1998, BP Exploration (Alaska) Inc., submitted to MMS an oil and gas Development and Production Plan (DPP) for the proposed Liberty Project in Alaska's Beaufort Sea. In March 1998, they submitted a pipeline right-of-way application.

The Liberty Project is located in Federal waters about five miles offshore in Foggy Island Bay and 20 miles east of Prudhoe Bay. The project is proposed as a single lease development. The lease is an "8(g)" lease that entitles the State of Alaska to 27 percent of any revenues from production on the prospect. The prospect is estimated to contain 120 million barrels of oil.

Status

The MMS is reviewing BPXA's proposed DPP and associated right-of-way application for a sub-seabed pipeline. A Draft EIS was distributed in January 2001 for public review and comment through April 14, 2001. The DEIS is available on CD-ROM and at the MMS Alaska Homepage under "Current Activities" at <http://www.mms.gov/alaska>.

The DPP was sent to the Governor of Alaska and appropriate State agencies, tribal governments, and local governments for formal review and comment. This is a separate review from State coastal consistency review. The State has not yet determined that it has sufficient information to initiate the consistency review for the DPP.

Public hearings were held in Anchorage and Fairbanks in February and in Nuiqsut, Kaktovik, and Barrow in March.

The MMS plans to complete the Final EIS by the end of 2001, and make decisions on the project in early 2002.

The Development Plan

The proposed DPP that BPXA submitted to MMS in 1998 was revised in July 2001. The proposal includes construction of a man-made gravel island and buried pipeline to bring production to shore. Onshore, the Liberty pipeline will connect to the existing onshore Badami pipeline. Construction is proposed to occur during two winter seasons beginning with island construction in 2003 and pipeline construction in 2004. First production is planned for 2004.

The DPP and the associated oil spill contingency plan and the right-of-way application are under regulatory and environmental review.

The EIS

The MMS is the lead agency in preparing the EIS. The Corps of Engineers (COE) and the Environmental Protection Agency (EPA) are cooperating agencies. Currently, the State of Alaska, National Marine Fisheries Service, Fish and Wildlife Service, and the North Slope Borough are participating agencies. The MMS invited the Inupiat Community of the Arctic Slope and the Native villages of Barrow, Nuiqsut, and Kaktovik to be cooperating agencies in the preparation of the EIS, but none accepted our invitation.

In May 2000, MMS delayed the DEIS schedule to receive marine bird and polar bear analyses from the FWS and USGS-BRD respectively; NPDES permit information from EPA; and the results of the last in the suite of MMS-contracted pipeline studies. All of these have been included in the DEIS. The MMS worked with FWS during the past year to complete extensive additional oil spill trajectory runs that FWS requested for marine bird and polar bear analyses. Results from the analyses for marine birds and polar bears also were incorporated into the DEIS.

The Region held several meetings with EPA Region X, located in Seattle, regarding the structure of the DEIS. The EPA suggested modification to the presentation of alternatives. The MMS has modified the DEIS accordingly. The EPA also provided MMS with the information they need for their NPDES permitting responsibilities.

The Pipeline Design

BP proposed a specially designed single-wall pipeline for Liberty. A major issue left over from the Northstar Project was the design of the undersea pipeline to transport the oil to shore. Several agencies wanted an assessment of pipe-in-pipe (PIP) technology. The MMS contracted for several studies and a workshop related to offshore arctic pipeline technical issues.

C-CORE of St. John's, Newfoundland, Canada, led a workshop in Anchorage on Arctic Pipeline in November 1999. In April 2000, C-CORE completed an engineering assessment of double wall versus single wall pipeline designs for offshore pipeline in an arctic environment. In accordance with an agreement with MMS and the COE, BPXA completed and submitted four conceptual Liberty pipeline designs alternatives to MMS in November 1999. Stress Engineering Services, Houston, Texas, evaluated the four design alternatives in April 2000. Fleet Technology, Kanata, Ontario, Canada, evaluated the risks associated with the four conceptual Liberty pipeline designs. Their final report was delivered in September 2000. Funding for the C-CORE study and workshop came from the MMS's Technical Assessment and Research Program. The other pipeline studies were funded through a grant from BPXA with oversight by several agencies. These studies are available on the MMS Alaska Webpage.

The MMS and the Alaska State Pipeline Coordinator's Office have entered into an agreement for the joint review of their respective portions of the pipeline right-of-way for the subsea pipeline.
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For More Information

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